

**MINUTES OF THE
STATE TRANSPORTATION BOARD
SPECIAL "TELEPHONIC" BOARD MEETING
9:00 A.M., Thursday, July 6, 2006
Arizona Department of Transportation (ADOT)
Executive Conference Room 141
206 South 17th Avenue
Phoenix, Arizona 85007**

The State Transportation Board met in official session for a special "telephonic" board meeting at 9:00 a.m., Thursday, July 6, 2006, with Chairman Martin presiding. Other Board members present included: Vice Chairman Joe Lane, Bill Feldmeier and Bob Montoya. Delbert Householder, Bob Montoya, Felipe Zubia and Si Schorr were absent. Also present were David Jankofsky, Deputy Director; Sam Elters, State Engineer; Barry Crockett, Contracts and Specifications and Ron Aschenbach, Attorney General's Office.

Chairman Martin called the meeting to order.

CONSTRUCTION CONTRACTS

Non-Interstate – Non Federal

BIDS OPENED:	July 30
HIGHWAY:	BENSON-STEINS PASS HIGHWAY (I-10)
SECTION:	Johnson Road TI UP Bridge #511
COUNTY:	Cochise
ROUTE NO.:	I-10
PROJECT:	010-F-NFA 010 CH 322 H670501C
FUNDING:	100% State
LOW BIDDER:	Royden Construction Co.
AMOUNT:	\$755,920.70
STATE AMOUNT:	\$602,969.00
\$ OVER:	\$152,951.70
% OVER:	25.4%
NO. BIDDERS:	3
RECOMMENDATION:	AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Lane, seconded by Mr. Montoya and passed unanimously.

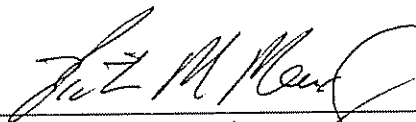
Mr. Lane asked why the bid estimate was twenty five percent lower than the actual amount. Mr. Elters explained that the reason for the overrun could be identified in three areas. First is the fabrication and setting. A quote was provided and staff did not account for the installation of girders and the related fab work. Looking at the unit price and the extended amount, it accounts for approximately \$105,000 of the difference. A second area determined was that an addendum was extended to accelerate the construction and delivery of the girders because of the nature of the project which is an emergency bridge

repair and the accelerated schedule would cause the contractor to change their work load resulting in additional cost. And third, there is a very small structural concrete amount and given the location and travel, the Department estimated \$8,000 for 10 yards and the low bid came in at \$25,000. The job entails replacing the girders on the bridge as well as the bridge deck. Mr. Montoya asked Mr. Elters to address Royden Construction Company's disclaimer stating that due to the current critical shortage and volatility of materials in the United States, we cannot guarantee that the availability of materials will not impact the project schedule. Mr. Elters stated that this is standard language included in contracts and staff has been in contact with Royden and we have assurances that they will be able to meet the intended schedule and the desired schedule by the Department. Mr. Montoya followed with a comment that he noticed the challenge from Silver Eagle Western and read the disclosures and asked about the legal wording regarding P.C.I. Attorney Ron Aschenbach stated that he has gone over this matter extensively with Mr. Crockett and with Mr. Elters and they feel that they do not have any liability in that Royden is the lowest responsible and responsive bidder and they should get the award.

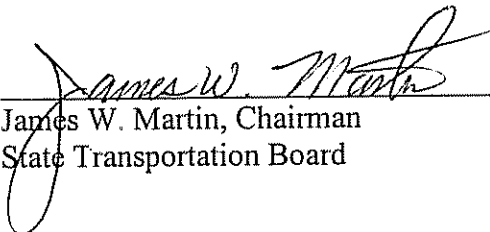
ADJOURN

Board Action: A motion to adjourn was made by Mr. Montoya, seconded by Mr. Feldmeier and passed unanimously.

The meeting adjourned at 9:15 a.m.



Victor Mendez, Director
Arizona Department of Transportation



James W. Martin, Chairman
State Transportation Board

**MINUTES OF THE
STATE TRANSPORTATION BOARD MEETING
9:00 a.m. Friday, June 23, 2006
Prescott City Hall
Council Chambers
201 South Cortez Street
Prescott, AZ 86303**

The State Transportation Board met in official session for a Board meeting at 9:00 a.m. Friday, June 23, 2006 with Chairman Martin presiding. Other Board members present included: Vice Chairman Joe Lane, Bill Feldmeier, Delbert Householder, Bob Montoya and Felipe Zubia. Si Schorr was unable to attend. Also present were David Jankofsky, Deputy Director; Barclay Dick, Division Director, Aeronautics Division; Mike Klein, Program Manager Airport Development, Aeronautics Division; Arnold Burnham, Priority Programming Manager, Air Quality Section; Bill Hayden, MAG Regional Freeway System Life Cycle Office; and Dale Buskirk, Director, Planning Division. There were approximately 100 people in the audience.

OPENING REMARKS AND PLEDGE

Chairman Martin led the Pledge of Allegiance and extended the board's gratitude to the City of Prescott for their hospitality.

DISTRICT ENGINEER'S REPORT

Dallas Hammit, District Engineer, introduced members of his staff, noting, unlike most districts, his is fully staffed. He identified the limits of the district, stating they serve the communities of Wickenburg, the Prescott Tri-City area, the Lower Verde Valley, and Payson. He said the Coyote Springs widening project on 89A is almost done and the SR 260 pavement preservation project should be done within the next month. He stated they completed the Kohl's Ranch project on SR 260 and invited the Board members to attend the dedication ceremony on July 13. He reported their project on SR 89 from Sundog to Little Lake is working well. He stated development along US 93 and SR 89 in Wickenburg is straining the system, noting one developer will add 10,000 vehicles per day to the intersection. He said developers are expressing an interest in developing in the Congress and Surprise areas as well. He stated they need to work with local agencies early and require developers to mitigate their impacts. He stated the district is currently working with Yavapai County, Maricopa County and Surprise to coordinate land use and public works. He thanked Yavapai County for their cooperation, noting Supervisor Springer has attended every meeting. He emphasized the importance of ensuring developers do the required mitigation, stating it may involve turn lanes, signals or traffic interchanges. He stated ADOT is putting together a Statewide Access Management Plan and, through that plan, the district will identify the types of roadways within the district. He said they are also working with Yavapai County to plan the future of some of their routes. He expressed his opinion they need to look at different funding sources, pointing out it is difficult to get developers to cover the full cost of improvements. He suggested pooling the impact fees of multiple

developments could allow for significant improvements to the system. Mr. Hammit stated they are changing the role of their maintenance people; explaining, recently, more of their energy and resources have been focused on emergency responses than on maintenance.

CALL TO THE AUDIENCE

Mayor Karen Fann, Chino Valley, thanked the Board for allowing SHPO to host the meeting. She reported Highway 89 through Chino Valley has over 24,000 vehicles per day, pointing out I-17 from Cordes Junction to Badger Springs carries 23,000 vehicles per day. She said the ADOT Board graciously transferred \$8.5 million from another project to the Highway 89 project a year and a half ago. She stated the project sat in ADOT design for the first year due to other more pressing projects. She said six months ago the decision was made to sub the project out to a design firm, but unfortunately that has not happened because there is no design money. She suggested they look at doing the project as a design build project, stating it will allow the project to move along at a faster pace while saving money.

Carol Springer, Yavapai County Supervisor, thanked the Board for the additional money appropriated in the Five Year plan to complete some of their already existing projects. She said they are also grateful to the legislature for allocating additional funds in the upcoming year to accelerate some of their projects. She asked the Board to accelerate the 89/69 intersection project, noting they will come back to the Board next year to request funding to complete the project to 89A. She assured the Board they will continue to work with the Department to partner on projects as they have in the past.

Chip Davis, Yavapai County Supervisor, said the projects in Yavapai County are important as they face the same challenges in terms of growth. He stated they have ceased to be able to stay ahead of the curb and are now trying to catch up. He noted Yavapai County has a half-cent sales tax and an impact fee program. He asked the Board to keep the Yavapai County program in as they approve the new tentative program. He said the county is willing to partner with the Board on any programs.

Mayor Rowle Simmons, Prescott, said the Governor and Legislature provided ADOT with the financial means to accelerate highway construction projects. He stated the City of Prescott suggests that the 69/89 traffic interchange be considered a top candidate, explaining the interchange is crucial to their regional traffic circulation. He stated the draft 2007-2011 program defers the project until FY 2009, but, in good faith and in anticipation of ADOT proceeding to bid and construct the interchange, Prescott has expended \$1.4 million for preparatory street and utility work. He explained deferring the project to 2009 will result in the city being forced to spend additional money for interim pavement work. He said the 89/69 interchange is the gateway to the City of Prescott and the safety and capacity improvements to be constructed by ADOT comprise much more than a highway project. He urged the Board to put money where the traffic is and where it will be the best investment in terms of highway capacity and safety enhancements. He asked the Board to honor its prior commitment to the public to bid and construct the 89/69 interchange without further delay. He noted the project has been designed and right-of-way has been acquired, stating construction could begin in as little as three months.

Jane Moore, Vice Mayor of Jerome, said Jerome is very appreciative that the Jerome 89A rest area has been put back into the upcoming project list. She said the town is willing to do whatever it needs to do to see that project completed.

Chuck Busby, Vice Mayor of Quartzsite, thanked the Board for their consideration of the B-10 project in Quartzsite. He noted their attorney has set up a meeting with Paul Vatnay to resolve all of the minor issues associated with the turn-back.

David Maurer, CEO of the Prescott Chamber, on behalf of the Central Arizona Chambers Coalition, stated they represent roughly 2,600 business members. He said the local chambers continue their support for three projects in the Five Year program, the 69/89 traffic interchange, completion of the 89/89A traffic interchange and widening SR 89 north to Chino Valley. He said they also ask the Board to work closely with their chambers and local communities as new projects are considered for the recently appropriated transportation acceleration funding. He said they have previously spoken about the need to widen I-17 north of Phoenix to Black Canyon City and they hope that project will be considered for acceleration; although they believe it should be part of the Phoenix or non-rural portion of the available funding.

Tom Rankin, Mayor of Florence, thanked the Board for listening to them concerning Gonzales Pass.

State Representative Lisa Mason, District 1, thanked the Board for coming to Prescott and working with the Yavapai County communities. She reiterated the importance of the 69/89 traffic interchange, 89/89A interchange and SR 89 widening projects. She said the state legislature appropriated \$345 million and she hopes a portion of those funds will be used to complete the SR 89 widening project.

CONSENT AGENDA

Board Member Montoya asked that Item 39 be pulled from the Consent Agenda.

Director's Report (It was very difficult to hear his report. I got what I could, but I couldn't make a lot out)

Mr. Mendez thanked the City of Prescott for their hospitality.

Mr. Mendez reported the Governor has initiated the Improvement Infrastructure Initiative, noting it extends beyond highways to include energy, water and other infrastructure issues. He said some fundamental processes need to be addressed and all of the stakeholders need to be brought to the table.

With regard to the I-10 widening project in Tucson, Mr. Mendez said, assuming the city can pay for the addendum, it will be issued next Monday.

In response to a Board Member's question, Mr. Elters commented the project, not including the addendum or the associated time extension, is scheduled to be completed July 28. He pointed out the addendum is fairly extensive. Mr. Mendez noted three of the major contractors have requested additional time. He said the extension will likely be granted for fear that one or two of the contractors might otherwise drop off.

Mr. Mendez stated ADOT is looking at the issue of consultants.

Board Action: A motion to remove Items 7 and 39 from the Consent Agenda was made by Mr. Lane, seconded by Mr. Montoya and passed unanimously.

Legislative Report

Jennifer Hott reported the House passed the FY 2007 Transportation Appropriation Bill. They need to wait to see if the Senate moves their legislation forward. She said Provision 100 is up for reauthorization in 2007 and they are putting together information on aviation legislation that is important to Arizona.

Ms. Hott said the State Legislature adjourned at 12:15 a.m. Thursday morning. She stated last Friday the Legislature and Governor reached a budget agreement, which the Governor signed into law on Wednesday. She noted the legislature included \$307 million for deposit into the new Statewide Transportation Acceleration Needs Account. She explained the STAN account was created to accelerate transportation projects already included in the statewide 20 year program and funds are to be appropriated statewide based on populations, with 60 percent to MAG, 16 percent to PAG and 24 percent to the TOC. She stated the budget also included an increased appropriation for highway maintenance and approximately \$2.5 million for the construction of modular housing at the Grand Canyon airport. She said the budget includes language that delays lottery deposits into the Local Transportation Assistance Fund until General Fund deposits have reached \$37 million. However, the legislation includes language of legislative intent stating that the delay is only for 2007/2008. She explained the \$17 million appropriation for improvements to Jomax Road was removed from the final budget bill. She noted \$1.1 million is appropriated for intersection improvements and a fire suppression system at Williams Gateway.

Ms. Hott said they are working on their 2006 legislative summaries. She reported HB2702 passed, explaining it extends the diversion of state transportation privilege tax revenue to the Rio Nuevo Multipurpose Facilities District until July 1, 2025. She said the bill allows structures constructed under the diversion of the tax to include police, fire and other public safety purposes, but expressly prohibits the use of money for city, county, or town halls or municipal administration buildings.

In response to Chairman Martin's question concerning the Rio Nuevo diversion, Mr. Mendez said his position has been that it does not matter how cities pay as long as they pay.

Financial Report

John McGee reported May HURF revenue collections totaled \$110.329 million, which is 19.12 percent over last year and 0.1 percent over the estimate. He said year-to-date collections now stand at \$1.213 billion, which is up 7.8 percent over last year and 1.5 percent over the estimate. He stated they continue to see good revenue growth in the Use Fuel, Vehicle License Tax, and Other categories. He said the Gas Tax category is running slightly behind the forecast which they attribute to the abnormally high price of fuel. He noted they continue to see a slight negative variance in the Motor Carrier and Commercial Registration categories as well, stating they attribute that to their seasonality model.

Mr. McGee stated RARF collections for April totaled \$32.730 million, which is up 13.1 percent over last year and 7.3 percent over the forecast. He said, year-to-date, RARF collections now stand at \$304.3 million, which is 16.5 percent over last year and eight percent over the forecast. He pointed out every revenue category continues to show double digit growth over last year and a positive variance from the forecast.

Mr. McGee said they earned approximately \$2.954 million during the month of April on an average investment balance of \$822 million, representing an average earnings yield of about 4.37 percent. Year-to-date earnings now stand at \$23.642 million, for an average investment yield of about 3.62 percent.

With regard to the HELP Fund, Mr. McGee said May's HELP Fund balance stood at \$86.2 million, which is up about \$2.2 million over April's balance as a result of about \$1.5 million in loan repayments and about \$900,000 in interest earnings.

Financing Program

Mr. McGee said the legislature passed its final budget. He noted a financial plan for the proposed Five Year Program was presented to the Board earlier in the month, explaining the numbers were based on the Governor's proposal at that time. He stated they are now in the process of updating the financial plan.

Mr. McGee said, as a result of HB 2206 and other legislative actions that have been taken with respect to STAN, they have been transmitting information to the rating agencies. He stated he and Mr. Freund, ADOT's financial advisor, plan to meet with the rating agencies in the next four to five weeks to provide them with a more detailed briefing on the revenues. He expressed his opinion the good news will help support their ratings.

Mr. McGee said, based on the previously mentioned financial plan, they will need to do a HURF issue sometime this fall. He noted the pricing of the issue cannot take place prior to the enactment date of HB 2206. He said they expect to bring a bond resolution to the Board in August and will look at pricing around the third or fourth week in September with a closing around the middle of October.

Board Resolution on Bonds

Mr. McGee read a Resolution to the Board directing Departmental staff, Financial Advisor and Bond Counsel to take all steps necessary precedent to the Board's planned issuance of Highway Revenue Bonds. He said, as the Resolution states, they will bring back a resolution for the bond issue in August. He estimated the size of the issuance to be between \$300 and \$350 million.

Board Action: A motion to approve the Resolution was made by Mr. Lane, seconded by Mr. Montoya and passed unanimously.

The meeting recessed for a short break.

MINUTES – APPROVAL

Board Meeting Minutes – April 21, 2006
Study Session Minutes – May 4, 2006
Special Board Meeting Minutes – May 5, 2006
Public Hearing Minutes – May 5, 2006
Board Meeting Minutes – May 19, 2006

Board Action: A motion to approve the minutes was made by Mr. Lane, seconded by Mr. Zubia and passed unanimously.

With regard to the May 4 study session, Board Member Feldmeier asked that the minutes reflect Mr. Zubia's comments related to the Board's ability to provide its comments/recommendations to the Governor. Board Member Zubia agreed, stating he would like to continue that discussion at a future date as well.

The motion to approve was removed from the floor.

With regard to comments made by Dale Buskirk concerning rest area research, Board Member Feldmeier said Mr. Montoya asked some pertinent questions that he would like reflected in the minutes as well. He said in the future he hopes the Board can explore possible public/private partnerships as relates to rest areas.

Board Action: A motion to approve the minutes, amending the May 4, 2006 minutes to reflect his comments, was made by Mr. Feldmeier, seconded by Mr. Montoya, and passed unanimously.

*** 2006 BOARD MEETING, PUBLIC HEARING & STUDY SESSION DATES AND LOCATIONS**

June 23, 2006, 9:00 a.m. – Board Meeting – Prescott (Please note this meeting will be held on the 4th Friday of the month, instead of the third Friday.)
July 21, 2006, 9:00 a.m. – Board Meeting – Show Low
August 1, 2006, 1:00 p.m. – Study Session (if necessary) – Phoenix
August 18, 2006, 9:00 a.m. – Board Meeting – Holbrook

September 15, 2006, 9:00 a.m. – Board Meeting – Glendale
October 3, 2006, 1:00 p.m. – Study Session (if necessary) – Phoenix
October 20, 2006, 9:00 a.m. – Board Meeting – East Valley
November 7, 2006, 1:00 p.m. – Study Session (if necessary) – Phoenix
November 17, 2006 – Board Meeting – Wilcox
December 5, 2006 – Study Session (if necessary) – Phoenix
December 15, 2006 – Board Meeting - Tucson

PRIORITY PLANNING ADVISORY COMMITTEE (PPAC) – DALE BUSKIRK

Meeting of June 7, 2006

FY 2007 – 2011 Statewide Transportation
Facilities Construction Program
Recommendations

- a. FY 2007 – 2011 Statewide Program
Highway Construction Program
Recommendations
(Excluding MAG & PAG)
- b. FY 2007 – 2011 PAG Regional Highway
Construction Program Recommendations
- c. FY 2007 – 2011 MAG Regional Highway
Construction Program Recommendations
- d. FY 2007 – 2011 Airport Development
Program Recommendations

Dale Buskirk presented the 2007-2011 Statewide Transportation Facilities Construction Program, noting it consists of four parts, the Statewide program, the MAG Regional program, the PAG Regional Program, and the Airport Development program. He said a number of recommended changes to the tentative Statewide program were presented to the Board at a special meeting earlier this month. He noted changes related to the Subprogram are generally in response to the passage of SAFETLU.

Mr. Lane pointed out the Tentative Five Year Program is based on the Governor's program and does not reflect the changes that have taken place over the past three days. He asked if the TOC will actually receive less funds in 2007 than it would have under the Governor's program. Mr. Buskirk responded yes. Mr. Feldmeier asked if, procedurally, they should approve the tentative Five Year Program with the changes related to the approved budget being made thereafter. Mr. Buskirk said the Board has already approved the tentative program, explaining staff is asking for approval of the changes made to the tentative program.

Board Action: A motion to approve the Subprogram Changes SAFETLU Apportionments was made by Mr. Lane, seconded by Mr. Householder and passed unanimously.

Mr. Buskirk said the second component of the recommendation relates to reprogramming. He explained, in response to significant increases in materials costs, the amount programmed for individual projects had to be increased and some projects had to be moved from FY 2006 into later years. He recommended approval of the changes.

Board Action: A motion to approve the above recommendation was made by Mr. Montoya, seconded by Mr. Feldmeier and passed unanimously.

Mr. Buskirk stated the third component relates to major project requests. He stated the changes can either be addressed as one or reviewed individually by project.

Chairman Martin recommended they review the changes project by project.

Mr. Buskirk said the first change relates to the design of the Rattle Snake Wash Traffic Interchange. He recommended approval.

Board Action: A motion to approve the above recommendation was made by Mr. Zubia and seconded by Mr. Feldmeier.

Board Member Zubia said the recommendations brought by staff were based on the state's ability to bond. He asked Mr. McGee to confirm that, if approved, the state has the capacity to finance the projects. Mr. McGee said, while the basic numbers he put together for the program were based on the Governor's plan, he concluded a previous presentation stating, with HB 2206 capacity, the program is also fundable under the legislature's alternative plan. He said he is confident with HB 2206 they can fund the tentative plan and staff's recommended changes to the plan.

Upon a call for the question, the motion passed unanimously.

Mr. Buskirk stated the next major project is on US 60 and commonly referred to as the Gonzales Pass. He recommended they move the project forward from FY 2008 to FY 2007.

Board Action: A motion to approve the above recommendation was made by Mr. Householder and seconded by Mr. Feldmeier.

Mr. Feldmeier said he is in favor of the project but he still has significant questions. He stated he appreciates the input he has received from constituents in the area and he understands the need for the project, but he is concerned that the \$60 million project reflects about 60 percent of the TOC budget. He asked how the project will impact other stakeholders and their ability to construct other projects. Mr. Buskirk said anytime a decision to allocate resources to a specific project is made, those resources are no longer available for other projects. He stated the five year program is all about prioritization and the Board has to

determine whether the Gonzales Pass project is a high priority. He was unable to estimate the total amount of funding that will be available to the TOC. Mr. Mendez said the project has been a priority for the Board for a number of years and the question they need to answer is where the project now lies in terms of the Board's priorities. Board Member Feldmeier pointed out a number of other projects were postponed during the same time period that the Gonzales Pass project was delayed. He asked if it would be possible to split the project to make the cost more feasible. Mr. Martin said, while it would be possible, the project began as three separate projects which were combined based on the understanding that doing so would save money. He explained the incidental and mobilization costs would all increase if the project were split into multiple phases.

A Board Member commented that the Board reviewed and discussed the issue and felt it would be more feasible to combine the separate projects into one project. He said construction costs have increased across the board, but that should not affect the priority that was placed on the Gonzales Pass project. He expressed his opinion the project should proceed as planned.

In response to Board Member Feldmeier's question, Mr. Buskirk said the Board took no action on the two projects recommended for deferral at the special Board meeting earlier in the month. Mr. Buskirk pointed out one of the projects is scheduled for 2008 and would not help in FY 2007. Mr. Feldmeier said, while it would not help in 2007, deferring the project until 2009 would help in 2008. Mr. Buskirk clarified the first deferral on SR 77 totals \$11 million and the second deferral on US 60 totals \$6.2 million.

A Board Member said this is probably the first of many discussions they will have in the next five years with regard to cost increases. He said there is a valid argument for staying the path and delivering what was promised; however, there are also valid concerns about the impact the project might have on the other thirteen counties. He stated the Board need to ask itself whether a decision that was valid when they made it is still valid today. He said he would hate to delay or split the project only to incur even greater costs in the future. He asked what would be the cost of splitting the project up again. He also asked if CM at Risk and Design Build options have been considered. He further asked if they can issue a bid alternate for a lesser section on the flat land.

A Board Member said the issue is quite divisive and it will be difficult for staff to answer some of the questions that have been asked.

Mr. Householder withdrew his motion.

Board Action: A motion to table consideration of the Gonzales Pass project until the Board's July study session was made by Mr. Martin, seconded by Mr. Montoya and passed unanimously.

Mr. Buskirk stated the next major project is the Jerome Rest Area and consists of the construction of a rest area and visitor's center. He recommended approval.

Board Action: A motion to approve the above recommendation was made by Mr. Feldmeier. The motion failed due to lack of a second.

Mr. Buskirk said the next project is on SR 92, Park Canyon Road, and involves the acquisition of right-of-way. He recommended approval.

Board Action: A motion to approve the above recommendation was made by Mr. Feldmeier, seconded by Mr. Zubia and passed unanimously.

Chairman Martin declared a conflict of interest, explaining a client of his owns property in the vicinity. He recused himself from consideration on this item.

Mr. Buskirk stated the final major project is to acquire right-of-way on SR 91 and an overpass over the Cochise Railroad.

Board Action: A motion to approve the above recommendation was made by Mr. Lane, seconded by Mr. Zubia and passed unanimously. (Chairman Martin abstained.)

Mr. Feldmeier commented during the June 8 study session he brought forward a discussion concerning the 69/89 interchange and heard support from the public and elected officials. He said it was his understanding that they have the capacity to include that interchange in the next Fiscal Year. He stated he was surprised to find the project was not included on today's agenda. He asked the Board to consider moving the project back into the plan.

Chairman Martin said the Board is precluded from discussing the matter since it was not on the agenda. He said, however, with the passing of the STAN legislation they will likely return a number of projects. Mr. Mendez agreed, stating staff will place the item on a future agenda.

Mr. Buskirk stated the PAG Regional Highway Construction Program recommendations were presented to the Board at the special Board meeting earlier this month. He stated the PAG program is developed cooperatively between PAG and ADOT. He said staff recommends approval.

Board Action: A motion to approve the above recommendation was made by Mr. Householder, seconded by Mr. Montoya and passed unanimously.

Mr. Buskirk said the MAG Regional Highway Construction Program recommendations were previously presented to the Board at its Special Board meeting. He said the MAG program is developed jointly between MAG and ADOT. He recommended approval.

Board Action: A motion to approve the above recommendation was made by Mr. Zubia, seconded by Mr. Lane and passed unanimously.

Mr. Dick stated the Aeronautics Division recommends approval of the amendments proposed by Mesa Falcon Field Airport and Pima County.

Board Action: A motion to approve the above recommendation was made by Mr. Montoya, seconded by Mr. Lane and passed unanimously.

Recommended Economic Strength Projects
(ESP) – Round 2 2006

Page

<u>ESP Selection</u>	<u>Recommended Award</u>
City of Casa Grande, Daisy Brand	\$290,000
Town of Taylor, Wal-Mart	\$170,682

Mr. Buskirk recommended approval of the two Economic Strength projects.

Board Action: A motion to approve the above recommendation was made by Mr. Zubia, seconded by Mr. Householder.

Chairman Martin referred to the comparison in Attachment A, asking why the Town of Florence Hospital project was not recommended over the two other projects. He said the project will provide more jobs and, in his opinion, a hospital should take precedence over private enterprise. Mr. Buskirk explained the project application evaluation process is conducted by the Department of Commerce.

A Board Member clarified “hospital” was the category for a previous grant and the project up for consideration in Florence is actually the Florence West Prison.

Upon a call for the question, the motion passed unanimously.

FY 2006 – 2010 Transportation Facilities Construction Discussion and Possible Action
Program Requested Modifications

ROUTE NO:	SR 64 @ MP 187.80
COUNTY:	Coconino
SCHEDULE:	FY 2007 - New Project Request
SECTION:	Williams - Grand Canyon Highway
TYPE OF WORK:	Construct passing lanes
PROGRAM AMOUNT:	New Project Request
PROJECT MANAGER:	George Wallace
PROJECT:	H681301C
REQUESTED ACTION:	Establish a new project for passing lanes in the amount of \$2,200,000 in the FY 2007 Highway Construction Program. Funds are available from FY 2006 District Minor Fund #73306 \$2,200K
NEW PROGRAM AMOUNT:	\$2,200,000

Board Action: A motion to approve the above recommendation was made by Mr. Montoya, seconded by Mr. Feldmeier and passed unanimously.

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ROUTE NO: SR 87 @ MP 304.60
COUNTY: Coconino
SCHEDULE: FY 2007 - New Project Request
SECTION: Enchanted Lane
TYPE OF WORK: Intersection improvements
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: George Wallace
PROJECT: H611001C JPA 05-075
REQUESTED Establish a new project for intersection
ACTION: improvements in the amount of \$1,150,000 in the
FY 2007 Highway Construction Program. See
multiple funding sources below.
FY 2007 District Minor #73307 \$1,150,000
JPA 05-075 Mar-Wen Investments, LLD \$50,000
NEW PROGRAM AMOUNT: \$1,200,000

Board Action: A motion to approve the above recommendation was made by Mr. Montoya, seconded by Mr. Feldmeier and passed unanimously.

ROUTE NO: I-40 @ MP 83.00
COUNTY: Mohave
SCHEDULE: FY 2007 - New Project Request
SECTION: Willow Creek Bridges #1592, 1593, 1594, 1595,
1768
TYPE OF WORK: Deck rehabilitation
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Larry Altuna
PROJECT: H676001C
REQUESTED Establish a new project for deck rehabilitation in the
ACTION: amount of \$4,400,000 in the FY 2007 Highway
Construction Program. See **multiple funding
sources below.**
PROGRAM AMOUNT: New Project
FY 2007 Deck Replacement Fund #78907 \$3,000,000
FY 2006 Statewide Utility #70806 \$1,000,000
FY 2006 Statewide Roadway #70106 \$400,000
NEW PROGRAM AMOUNT: \$4,400,000

Board Action: A motion to approve the above recommendation was made by Mr. Lane, seconded by Mr. Feldmeier and passed unanimously.

ROUTE NO: I-40 @ MP 112.80
COUNTY: Yavapai

SCHEDULE: FY 2007 - New Project Request
SECTION: Audley Road OP EB and WB #1520 and 1521
TYPE OF WORK: Deck Rehabilitation and scour retrofit
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: David Benton
PROJECT: H694801C
REQUESTED ACTION: Establish a new project for deck rehabilitation in the amount of \$3,075,000 in the FY 2007 Highway Construction Program. **See multiple funding sources below.**

PROGRAM AMOUNT:	New Project
FY 2006 Statewide ITD #70706	\$2,200,000
FY 2006 Statewide Bridge Scour #71506	\$645,000
FY 2007 Bridge Inspection and Repair #71407	\$230,000
NEW PROGRAM AMOUNT:	\$3,075,000

Board Action: A motion to approve the above recommendation was made by Mr. Feldmeier, seconded by Mr. Zubia and passed unanimously.

ROUTE NO: I-40 @ MP 142.53
COUNTY: Yavapai
SCHEDULE: FY 2007 - New Project Request
SECTION: Partridge Creek Bridges EB and WB #843 and 457
TYPE OF WORK: Deck Replacement
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: David Benton
PROJECT: H694901C
REQUESTED ACTION: Establish a new project for deck replacement in the amount of \$2,135,000 in the FY 2007 Highway Construction Program. **See multiple funding sources below.**

PROGRAM AMOUNT:	New Project
FY 2006 Bridge Inspection and Repair #71406	\$1,700,000
FY 2007 Bridge Inspection and Repair #71407	\$435,000
NEW PROGRAM AMOUNT:	\$2,135,000

Board Action: A motion to approve the above recommendation was made by Mr. Montoya, seconded by Mr. Feldmeier and passed unanimously.

ROUTE NO: I-40 @ MP 161.06
COUNTY: Coconino
SCHEDULE: FY 2007 - New Project Request
SECTION: Various locations
TYPE OF WORK: Replace lighting pull boxes and load center cabinets
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Talal Kamal

PROJECT: HX18401C
REQUESTED ACTION: Establish a new lighting project in the amount of \$408,000 in the FY 2007 Highway Construction Program. **Funds are available from FY 2006 Traffic Engineering #71206 \$408K.**
NEW PROGRAM AMOUNT: \$408,000

Board Action: A motion to approve the above recommendation was made by Mr. Montoya, seconded by Mr. Feldmeier and passed unanimously.

ROUTE NO: I-40 @ MP 51.00
COUNTY: Mohave
SCHEDULE: FY 2006 - New Project Request
SECTION: Stockton Hill Road at Beverly Ave.
TYPE OF WORK: Construct raised concrete traffic medians
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Lynn Sugiyama
PROJECT: H694301C JPA 05-108
REQUESTED ACTION: Contributing money to a new project with the City of Kingman, to construct raised traffic medians in the amount of \$45,000. **Funds are available from FY 2006 District Minor Fund #73306 \$45K.**
NEW PROGRAM AMOUNT: \$45,000

Board Action: A motion to approve the above recommendation was made by Mr. Feldmeier, seconded by Mr. Householder and passed unanimously.

ROUTE NO: SR 347 @ MP 173.40
COUNTY: Pinal
SCHEDULE: FY 2006 - New Project Request
SECTION: Overpass over Union Pacific Railroad
TYPE OF WORK: Feasibility report for overpass
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Lynn Sugiyama
PROJECT: H700701D JPA 06-013
REQUESTED ACTION: Contributing money to a feasibility report with the City of Maricopa, to study potential construction of overpass in the amount of \$150,000. City will contribute \$150,000 for a total of \$300,000. **See multiple funding sources below.**
FY 2006 District Minor #73306 \$100,000
FY 2006 Construction Preparation Fund #70106 \$50,000
NEW PROGRAM AMOUNT: \$150,000

Board Action: A motion to approve the above recommendation was made by Mr. Householder, seconded by Mr. Lane and passed unanimously.

ROUTE NO: SR 88 @ MP 195.00
 COUNTY: Pinal
 SCHEDULE: FY 2007 - New Project Request
 SECTION: SR 88 at 16th Ave.
 TYPE OF WORK: Construct traffic signal
 PROGRAM AMOUNT: New Project Request
 PROJECT MANAGER: Thomas Tortice
 PROJECT: HX18101C JPA 05-111
 REQUESTED ACTION: Establish a new traffic signal project with the City of Apache Junction in the a amount of \$536,000. **See multiple funding sources below.**

FY 2006 Traffic Engineering Fund #71206	\$136,000
JPA 05-111 City of Apache Junction	\$400,000
NEW PROGRAM AMOUNT:	\$536,000

Board Action: A motion to approve the above recommendation was made by Mr. Householder, seconded by Mr. Lane and passed unanimously.

ROUTE NO: I-10 @ MP 303.07
 COUNTY: Cochise
 SCHEDULE: FY 2007 - New Project Request
 SECTION: Benson Bypass
 TYPE OF WORK: Pavement preservation –Overlay
 PROGRAM AMOUNT: New Project Request
 PROJECT MANAGER: Rod Collins
 PROJECT: H637001C
 REQUESTED ACTION: Establish a new project for pavement overlay in the amount of \$12,100,000 in the FY 2007 Highway Construction Program. **See multiple funding sources below.**

FY 2007 Bridge Inspection and Repair Fund #71407	\$300,000
FY 2007 Pavement Preservation Fund #72507	\$11,800,000
NEW PROGRAM AMOUNT:	\$12,100,000

Board Action: A motion to approve the above recommendation was made by Mr. Householder, seconded by Mr. Montoya and passed unanimously.

ROUTE NO: SR 87 @ MP 218.00
 COUNTY: Maricopa
 SCHEDULE: FY 2006 - New Project Request
 SECTION: MP 218 to 226
 TYPE OF WORK: Pavement spot repair
 PROGRAM AMOUNT: New Project Request
 PROJECT MANAGER: Jerry Barnes
 PROJECT: H705501C

REQUESTED ACTION: Establish a new project for pavement spot repair in the amount of \$1,300,000 in FY 2006 Highway Construction Program. **Funds are available from FY 2006 Statewide Pavement Preservation Fund #72506 \$1,300K.**

NEW PROGRAM AMOUNT: \$1,300,000

Board Action: A motion to approve the above recommendation was made by Mr. Zubia, seconded by Mr. Lane and passed unanimously.

ROUTE NO: SR 280 0.00
COUNTY: Yuma
SCHEDULE: FY 2006
SECTION: B-8, SR 280 (Ave 3E)
TYPE OF WORK: Reconstruct roadway
PROGRAM AMOUNT: \$ 7,559,000
PROJECT MANAGER: Robert Miller / Orlando Jerez
PROJECT: H604201C Item # 13504 JPA 02-207
REQUESTED ACTION: Request to reduce program amount by \$1,459,000 to \$6,100,000 per JPA 02-207. **Return \$1,459K to FY 2006 Statewide Contingency Fund #72306**
PROGRAM AMOUNT: \$7,559,000
NEW PROGRAM AMOUNT: \$6,100,000

Board Action: A motion to approve the above recommendation was made by Mr. Feldmeier, seconded by Mr. Householder and passed unanimously.

ROUTE NO: SR 10B @ MP 17.50
COUNTY: La Paz
SCHEDULE: FY 2007 New Project Request
SECTION: West TI to Park Ave
TYPE OF WORK: Reconstruct roadway
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Robert Miller
PROJECT: JPA 03-033
REQUESTED ACTION: Establish a new project for the reconstruction of roadway in the amount of \$5,209,000 for the FY 2007 Highway Construction Program. **See multiple funding sources below.**

FY 2006 District Minor Fund #73306	\$2,250,000
FY 2006 Statewide Contingency Fund #72306	\$1,459,000
FY 2006 Construction Preparation Technical Fund #70006	\$500,000
FY 2007 Pavement Preservation Fund #72507	\$1,000,000
NEW PROGRAM AMOUNT:	\$5,209,000

Board Action: A motion to approve the above recommendation was made by Mr. Householder, seconded by Mr. Feldmeier and passed unanimously.

ROUTE NO: I-10 @ MP 232.40
COUNTY: Pima
SCHEDULE: FY 2006
SECTION: Pinal Air Park Rd. – Marana TI
TYPE OF WORK: Design
PROGRAM AMOUNT: \$ 880,000
PROJECT MANAGER: Laurel Parker
PROJECT: H458203D Item # 16206
REQUESTED: Request to delete Program Item #16206 in the
ACTION: amount of \$880,000. **Return \$880,000 to FY 2008
Statewide Contingency Fund #72308.**
NEW PROGRAM AMOUNT: \$0

ROUTE NO: I-10 @ MP 232.40
COUNTY: Pima
SCHEDULE: FY 2008
SECTION: Pinal Air Park Rd. – Marana TI
TYPE OF WORK: Construct widening and structure
PROGRAM AMOUNT: \$ 16,000,000
PROJECT MANAGER: Laurel Parker
PROJECT: H458203C Item # 10108
REQUESTED: Request to increase project for the construction of
ACTION: roadway improvement in the amount of \$880,000 to
\$16,880,000 in the FY 2008 Highway Construction
Program. **Funds are available from the FY 2008
Statewide Contingency Fund #72308.**
PROGRAM AMOUNT: \$16,000,000
NEW PROGRAM AMOUNT: \$16,880,000

Board Action: A motion to approve the recommendations for Items 24 and 25 was made by Mr. Householder, seconded by Mr. Montoya and passed unanimously.

ROUTE NO: 888
COUNTY: Maricopa
SCHEDULE: FY 2006 - New Project Request
SECTION: MAG Regionwide
TYPE OF WORK: Asphalt Rubber Noise Mitigation
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Steve Mishler
PROJECT: H694501C
REQUESTED: Establish a new project for noise mitigation in the
ACTION: amount of \$9,300,000 in the FY 2006 Highway

Construction Program. Change Project Location to "Various Regional Freeways" and Type of Work to "Quite Pavement Phase VII." See **multiple funding sources below.**

Program Item #41506	\$5,222,000
Program Item #41107	\$4,078,000
NEW PROGRAM AMOUNT:	\$9,300,000

Board Action: A motion to approve the above recommendation was made by Mr. Lane, seconded by Mr. Zubia and passed unanimously.

RIGHT OF WAY RESOLUTIONS

*	RES. NO:	2006-06-A-025
	PROJECT:	S-303-A-701 / 303LMA005H681101R
	HIGHWAY:	ESTRELLA FREEWAY
	SECTION:	MC85 – I-17
	ROUTE NO.:	State Route 303 Loop
	ENG. DIST:	Phoenix
	COUNTY:	Maricopa
	RECOMMENDATION:	Establish existing Maricopa County right of way as an access controlled state route and state highway
*	RES. NO:	2006-06-A-026
	PROJECT:	S-987-A-702 / 238PN045H088801R
	HIGHWAY:	MARICOPA – MOBILE – GILA BEND
	SECTION:	Maricopa – Mobile Unit II
	ROUTE NO.:	State Route 238
	ENG. DIST:	Tucson
	COUNTY:	Pinal
	RECOMMENDATION:	Establish donated right of way as a state route and state highway for a recently constructed right turn lane by developer
*	RES. NO:	2006-06-A-027
	PROJECT:	U-093-B-803 / 093MO115H592403R
	HIGHWAY:	WICKENBURG - KINGMAN
	SECTION:	Big Sandy – Deluge Wash
	ROUTE NO.:	U.S. Route 93
	ENG. DIST:	Kingman
	COUNTY:	Mohave
	RECOMMENDATION:	Establish additional right of way as a state route for improvements due to a design change

*	RES. NO: PROJECT: HIGHWAY: SECTION: ROUTE NO.: ENG. DIST: COUNTY: RECOMMENDATION:	2006-06-A-028 I-010-E-700 / 010PM288H239001R TUCSON - BENSON Cienega Creek – Marsh Station Interstate Route 10 Safford Pima Establish additional right of way as a state route for the relocation of Marsh Station T.I.
*	RES. NO: PROJECT: HIGHWAY: SECTION: ROUTE NO.: ENG. DIST: COUNTY: RECOMMENDATION:	2006-06-A-029 U-093-B-804 / 093MO092H592401R WICKENBURG - KINGMAN Hackberry Spring – Jct. U.S. 93 U.S. Route 93 Kingman Mohave Establish additional right of way as a state route and state highway due to design changes
*	RES. NO: PROJECT: HIGHWAY: SECTION: ROUTE NO: ENG. DIST: COUNTY: RECOMMENDATION:	2006-06-A-030 I-040-3-801 / 040CN195H267602R ASH FORK - FLAGSTAFF I-17 and I-40 T.I. (Lake Mary Road) Interstate route 17 Flagstaff Coconino Disposal by Abandonment to The City of Flagstaff per Intergovernmental Agreement No. 04-080 dated July 26, 2005
*	RES. NO: PROJECT: HIGHWAY: SECTION: ROUTE NO: ENG. DIST: COUNTY: RECOMMENDATION:	2006-06-A-031 600-2-702 / 051MA009H205901R STATE ROUTE 51 Shea Blvd. – Thunderbird Road State Route 51 Phoenix Maricopa Disposal by Abandonment to The City of Phoenix for a continued public transportation use

STATE ENGINEER'S REPORT

Sam Elters, State Engineer, said they have 84 projects under construction for a total of \$971 million. He reported 20 projects were finalized during the month of may, adding up to just over \$300 million and for the fiscal year 116 projects have been completed.

Mr. Elters stated they have a total of eight construction contracts, noting they did not receive bids on two of them. He said the first is in the City of Flagstaff along US 180, noting four contractors picked up plans but no bids were received. He stated each contractor was contacted and their responses were that the project entailed too much work, was too far from home, or they were too busy. He said the department will re-advertise the project next spring with a provision that work in front of the school is to be completed after the school year has ended. He stated the second project was in Mohave County, south of Bullhead City. He explained five contractors picked up plans, but no bids were received. He said in contacting the contractors they found they were too busy. He stated the District Engineer is working with local communities and businesses to determine the best time to re-advertise the project.

CONSTRUCTION CONTRACTS

Interstate Non-Federal Aid

BIDS OPENED:	May 26
HIGHWAY:	PHOENIX-CORDES JUNCTION HIGHWAY (I-17)
SECTION:	16 th Street - Buckeye Road
COUNTY:	Maricopa
ROUTE NO.:	I-17
PROJECT:	017-A-NFA 017 MA 194 H642301C
FUNDING:	100% State
LOW BIDDER:	Meadow Valley Contractors, Inc.
AMOUNT:	\$ 3,911,124.40
STATE AMOUNT:	\$ 3,520,983.00
\$ OVER:	\$ 390,141.40
% OVER:	11.1%
NO. BIDDERS:	2
RECOMMENDATION:	AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Lane, seconded by Mr. Montoya and passed unanimously.

Interstate Federal-Aid ("A" "B") projects do not need FHWA concurrence, but must comply with DBE regulations; other projects are subject to FHWA and/or local government concurrence and compliance with DBE regulations)

BIDS OPENED:	May 12
HIGHWAY:	EHRENBURG – PHOENIX HIGHWAY (I-10)
SECTION:	Poston Road to Hovatter Road
COUNTY:	La Paz
ROUTE NO.:	I-10
PROJECT:	IM-010-A(007)A 010 LA 000 H646001C
FUNDING:	94% Federal 6% State
LOW BIDDER:	Abbco Sign Group, Inc. / Electrical Concepts Inc. (JV)
AMOUNT:	\$ 1,393,680.00

STATE AMOUNT: \$ 1,856,322.00
\$ UNDER: \$ 462,642.00
% UNDER: 24.9%
NO. BIDDERS: 6
RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Feldmeier, seconded by Mr. Householder and passed unanimously.

* BIDS OPENED: May 26
HIGHWAY: HOLBROOK – LUPTON HIGHWAY (I-40)
SECTION: McCarrell TI – Querino
COUNTY: Apache
ROUTE NO.: I-40
PROJECT: IM-040-E(200)A 040 AP 330 H636501C
FUNDING: 94% Federal 6% State
LOW BIDDER: Meadow Valley Contractors, Inc.
AMOUNT: \$ 11,993,043.55
STATE AMOUNT: \$ 11,063,050.00
\$ OVER: \$ 929,993.55
% OVER: 8.4%
NO. BIDDERS: 4
RECOMMENDATION: AWARD

Non-interstate Federal-Aid (“A” “B”) projects do not need FHWA concurrence, but must comply with DBE regulations; other projects are subject to FHWA and/or local government concurrence and compliance with DBE regulations)

* BIDS OPENED: May 26
HIGHWAY: SHOW LOW – SPRINGERVILLE –
EAST HIGHWAY (US 60)
SECTION: Mallory Draw Bridge #2605
COUNTY: Apache
ROUTE NO.: US 60
PROJECT: BR-060-F(004)B 060 AP 371 H639201C
FUNDING: 94% Federal 6% State
LOW BIDDER: Meadow Valley Contractors, Inc.
AMOUNT: \$ 4,898,093.35
STATE AMOUNT: \$ 5,225,956.50
\$ UNDER: \$ 327,863.15
% UNDER: 6.3%
NO. BIDDERS: 5
RECOMMENDATION: AWARD

Non-interstate Federal-Aid (“A” “B”) projects do not need FHWA concurrence, but must comply with DBE regulations; other projects are subject to FHWA and/or local government concurrence and compliance with DBE regulations)

BIDS OPENED:	May 26
HIGHWAY:	CITY OF GLENDALE
SECTION:	Glendale Avenue, 99 th Avenue to 107 th Avenue
COUNTY:	Maricopa
ROUTE NO.:	N/A
PROJECT:	CM-GLN-0(023)A 0000 MA GLN SS50201C
FUNDING:	58% Federal 42% City of Glendale
LOW BIDDER:	Coffman Specialties, Inc.
AMOUNT:	\$ 1,865,000.00
STATE AMOUNT:	\$ 1,740,647.00
\$ OVER:	\$ 124,353.00
% OVER:	7.1%
NO. BIDDERS:	4
RECOMMENDATION:	Award Contingent Upon City of Glendale Approval

Board Action: A motion to approve the above recommendation was made by Mr. Householder, seconded by Mr. Lane and passed unanimously.

Non-Interstate Non-Federal Aid

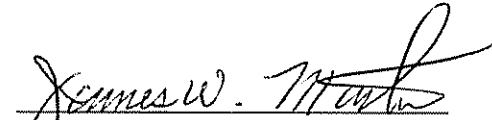

BIDS OPENED:	May 26
HIGHWAY:	GILA BEND – BUCKEYE HIGHWAY (SR 85)
SECTION:	RID Main Canal
COUNTY:	Maricopa
ROUTE NO.:	SR 85
PROJECT:	085-B-NFA 085 MA 152 H595554C
FUNDING:	100% State
LOW BIDDER:	Bison Contracting Co., Inc.
AMOUNT:	\$ 2,046,744.00
STATE AMOUNT:	\$ 1,916,665.00
\$ OVER:	\$ 130,079.00
% OVER:	6.8%
NO. BIDDERS:	1
RECOMMENDATION:	AWARD

CONSENT AGENDA

Board Action: A motion to approve the Consent Agenda was made by Mr. Lane, seconded by Mr. Householder and passed unanimously.

ADJOURN

Board Action: A motion to adjourn was made by Mr. Householder, seconded by Mr. Feldmeier and passed unanimously.


James W. Martin, Chairman
State Transportation Board
Victor M. Mendez, Director
Arizona Department of Transportation

**MINUTES OF THE
STATE TRANSPORTATION BOARD
STUDY SESSION
3:00 P.M., Thursday, July 20, 2006
Holiday Inn Express
Conference Room
151 West Deuce of Clubs
Show Low, Arizona 85901**

The State Transportation Board met in official session for a study session at 3:00 p.m., Thursday, July 20, 2006, with Chairman Martin presiding. Other Board members present included: Vice Chairman Joe Lane, Delbert Householder, Bob Montoya, Si Schorr and Felipe Zubia. Bill Feldmeier was absent. Also present were members of ADOT staff.

Presentation on widening of U.S. 60 in the vicinity of Florence Junction to Queen Creek (Gonzales Pass)

Mr. David Jankofsky presented a summary of the issues raised on this project by members of the public and the Board. He distributed a map of the project and referred to a staff memorandum. The memorandum describes the history, background, staff recommendations and attempts to answer questions regarding the project. The project is to construct 9.6 miles of a two lane parallel roadway between US 60, 79 interchange at mile post 213 and mile post 222.7. The project is currently in the five year plan for FY 2007-2011 the Board adopted at the Prescott meeting last month for \$60 million in FY 2008. A question for the Board at the next Directors meeting is "should the project stay exactly where it is, where it is currently programmed at \$60 million in FY 2008 or should the Board change the project"? The map shows an enlargement of the three sections, the Queen Valley, Gonzales Pass and Picket Post segments. The staff memo discusses the rationale over the past years of combining the three segments into one project.

Combining into one project will limit the number of crossovers which is a safety issues, provide cost savings of approximately \$6 million, enhance coordination to shorten the duration of construction, provide possible right-of-way cost savings and economies of scale. The cost history was outlined in the memo from July 2000 at \$15 million and due to material cost increases, in FY 2006-2010, it was programmed in 2006 for \$39 million and spiking in the 2007-2011 plan to \$60 million. The entire five year plan was impacted due to material cost increases. The availability of additional bonding capacity helped. The impact of the cost increase on this project is nil because the staff financial plan assumed \$60 in FY 2007 for this project. That was staff's recommendation at the last Board meeting. The financial plan has \$60 million in FY07 for this project. The Central Arizona Association of Governments identified an \$11 million project on SR 77 that was tentatively programmed for FY 2007 to be delayed to FY 2008. The Board adopted that to mitigate the impact on resources. The Board discussed splitting the projects into two, combining the Gonzales Pass and Picket Post project and Queen Valley into a second or phase II project. Based on that assumption, it would authorize construction of a four lane highway on the second and third segment and still have a two lane highway on the Queen Valley segment. This causes construction issues, changes in speed and the implications of splitting the project would increase costs, lengthen the construction timeframe and

implications for continual updating of environmental studies and there are current agreements with railroads and utilities that would have to be reviewed and possibly extended. The project would be ready to advertise no later than the end of the year versus waiting until July 2007. In FY 2007-2008, because of the delay of projects from 2006 into 2007 and because of the additional bonding capacity and trying to do projects quickly, there is approximately \$350 million to be spent in 2007 and a similar amount in 2008 for the TOC. A question was asked if the project is put on hold or bifurcated, would the funds allow other projects to occur in the thirteen other counties in FY 07-08. Mr. Jankofsky answered that yes, there are other projects designed and would be ready in FY 2007. To answer a question about the funds, Mr. Jankofsky described that in terms of funds to be programmed in 2007; there will be approximately \$350 million. In a normal year, there is approximately \$100 million for the thirteen other counties. If the project is bifurcated, the estimated construction time goes from approximately 19 months to 30 months because the two projects would be done consecutively. The commencement date of the entire \$60 million project and leaving things the way they are, \$60 million in FY08, the project would move from July 1, 2008 to July 1, 2007. If moved into the current fiscal year, it could be started in January 1, 2007. Staff's recommendation is that 1) the project remain as a single project and that 2) it be advanced to FY 2007. Staff's recommendation is based on safety considerations, minimizing crossovers and construction time, cost implications, constructability of the project and timing. One of the alternatives is to leave it in the program in 2008 and as one project, which would require no action by the Board. Another alternative is the bifurcation. Phase I would be the two segments on the eastern portion of the project at approximately \$44.2 million in FY 2007 and Phase II at \$21.8 in FY 2008. If alternative one is selected, staff would further recommend the \$11 million already deferred pursuant to the CAG proposals to defer work on SR 77 from FY 2007 to FY 2008 be returned to its original program date of FY 2007. In response to a question, Mr. Jankofsky said that the request of CAG was for the Board to identify projects that could be deferred to free up money in FY07 as an expression of good faith to partially mitigate the increase costs. To answer a question, Mr. Jankofsky said that Phase I would be the Gonzales Pass segment and the Picket Post segment. In answer to additional questions, the crossover issue is that Queen Valley would still be a two lane facility; the estimated savings would be any increase in construction and material costs between now and July 2008; if a bid comes in above the state estimate, it will be dealt with at that time. Mr. Zubia suggested a third alternative, a bid that goes out with phase I and phase II as a bid alternate to see if there is a cost savings to do it all together. If it's affordable, we can move funds in at that time and move forward with phase I and if construction costs have gone up to \$70 million, then at that point, phase I is the appropriate route and phase II could be handled at a later date. Mr. Jankofsky replied that staff's recommendation would be to go with alternative two if the Board would not go with the preferred recommendation to keep it as one project. Technical staff feels that constructing it in one segment would have economies of constructability and reduce the number of crossovers, addressing safety. It was restated that staff feels it important to do the project as one due to safety concerns. There is potential risk in cost increases, safety issues and precedent issues. A concern was raised about having no projects on I-10 between Phoenix and Tucson with one exception. It was mentioned that the Board needs to think about setting a precedent as far as projects in

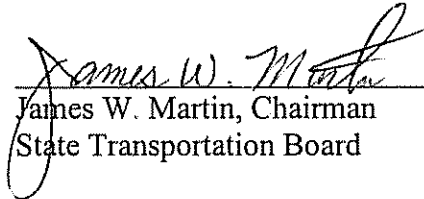
the counties. It was asked whether the representatives of the TOC, other than those interested in this project, if they had a position on the use of these funds. In reply, the Board has not heard directly or at public hearings. A Board member mentioned that about two and a half years ago the project was voted on and it has gone up from \$39 million to \$60 million. And it's not going to get any cheaper and that we need to do what we said we would do. There was further discussion about the project by Board members including savings and safety.


Presentation on Statewide Transportation Acceleration Needs (STAN) Account

Mr. Jankofsky and Mr. McGee presented a summary of the mechanics of how the Account is intended to work and the Board's responsibilities under the law regarding the Account. A summary document was distributed. The law set up the Statewide Transportation Acceleration Needs Account and it puts an initial amount of funding through appropriations into the Account, \$245 million appropriations from the general fund and a \$62 million appropriation from the state highway fund. The state highway appropriated is the state estimate of the amount of additional funds that will flow to ADOT as a result of the co-opting of DPS funding for both HURF and from the state highway fund for FY 2007. The Legislation stipulates that of the \$307 million, 60 percent of those funds or \$184.2 million, is to be allocated to projects in the Maricopa counties, 16 percent or approximately \$49 million to be allocated in Pima County and 24 percent or approximately \$73 million to be allocated in the other counties. The law stipulates that both of the appropriations are non-lapsing, they don't go back if the money is not spent in the same year. Requirements state that original appropriations and earnings on the original appropriations are allocated in the percentages for the counties as noted above and three separate sub-accounts will be set up within the state highway fund to place the funds and to track expenditures. The law stipulates that there are other monies that can be added to any of those three accounts for specific projects. In order for a project to be funded by STAN, the statutes require that the project meet two basic criteria, 1) the project must be for the construction or reconstruction of a freeway, state highway, bridge, or interchange and 2) the project must be in the Regional Transportation Plan of a county, the twenty year MAG Regional Transportation Plan, or the Department's Long Range Statewide Plan. If developers want access to the freeway, they have to provide that at their cost, making it a separate issue from STAN. Regarding the process for project identification, in Maricopa and Pima County, MAG and PAG will develop a selection process using selection criteria to determine the individual projects recommended for acceleration using those funds. They will then submit the projects to the Board for approval or modification. At the same time as submission, they must also satisfy the Board that all costs to be expended with STAN funds are allowable under the statute. The handout stipulates what the STAN monies can be used for such as materials, labor, acquisition of right-of-way, design and other engineering services and other directly related costs approved by the Board. The intention is to ensure that money is spent on individual projects. The Board can look at whether projects will utilize only STAN funds or a combination of STAN funds and HURF monies for example. Meetings and conversations are being held with MAG, PAG and TOC and a formal process will be determined by the August 1 study session. Projects in the five year plan should be the highest priority. \$307 million represents about 5 percent of the projects. The process for

TOC is similar to MAG and PAG except that the statute identifies ADOT as the lead agency to develop the local process and recommendations of the individual projects; however, the law stipulates that ADOT must do that in cooperation with MPOs and COGs. In terms of timeframes, the process and selection of individual projects should proceed. The selection process, under Mr. Buskirk's direction, will be developed by early August and actual projects selected by the end of October with presentation to the Board perhaps in November. MAG and PAG projects should be in the same general timeframe. Initially, it should be a priority to start looking for the projects in the thirteen other counties that are in the five year program.

The meeting adjourned at 4:10 p.m.


James W. Martin, Chairman
State Transportation Board


Victor Mendez, Director
Arizona Department of Transportation

**MINUTES OF THE
STATE TRANSPORTATION BOARD MEETING
9:00 a.m., Friday, July 21, 2006
Show Low City Hall
Council Chambers
200 West Cooley
Show Low, Arizona 85901**

The State Transportation Board met in official session for a Board meeting at 9:00 a.m., Friday, July 21, 2006, with Chairman Jim Martin presiding. Other Board members present included: Vice Chairman Joe Lane, Rusty Gant, Dick Hileman, Delbert Householder, Bob Montoya, Si Schorr and Felipe Zubia. Bill Feldmeier was absent. Also present were Director Victor Mendez; David Jankofsky, Deputy Director; John McGee, Chief Financial Officer, Administrative Services Division; Dale Buskirk, Director, Planning Division; Kevin Biesty and Sam Maroufkhani.

OPENING REMARKS AND PLEDGE

Chairman Martin welcomed those present and Mr. Montoya led the audience in the Pledge of Allegiance.

DISTRICT ENGINEER REPORT

Mr. Richard Powers, District Engineer for Globe provided an update on Projects/Issues of regional significance. He described the large mountain area, covering seven counties, and the recent minor investments to the boundaries working with Pinal County. He mentioned the number of construction projects, the maintenance program and shared a break down of where the budget is spent. Projects of local interest were reviewed including a pavement project on 191, asphalt projects, a new bridge on the US 60, a reconstruct of 273 and a new roadway. Projects in the design phase were highlighted and include pavement, bridges and smaller dollar projects. He complimented the White Mountain Regional Transportation Committee. Other priorities involve unprecedented growth and addressing the transportation needs. The highest priority is US 60, south and east of Show Low. The second is 260 west of Show Low and another priority is 77 from Show Low to Holbrook. And 277 from Snowflake to Heber is a priority. An additional list of items that have been scoped was shared.

CALL TO AUDIENCE

Rick Fernau, Mayor, Show Low, recognized dignitaries present. He said that the ADOT proposal is to move the facility from a residential area. They are willing to partner with ADOT; Senator Flake is willing to help and would appreciate attention to the project. He thanked the Board for a light project that will increase public safety. They are in the process of applying for a grant and can save thousands on an upcoming bridge project and appreciate the Board's consideration on that project in the future.

Jack Lathaw, Congressional Liaison, Show Low, read a letter from Congressman Rick Renzi expressing strong support for the road construction project encompassing the entire 9.6 miles of Highway 60.

Jodi Rooney, CYMPO Administrator mentioned two projects in the Prescott Urbanized Area. Funding needs identified for a gap on SR 89 between Chino Valley and 89A, and moving the TI on 69 and 89 up if possible due to safety and mobility issues.

Chuck Busby, Vice Mayor, Town of Quartzsite, thanked the Board and staff for approving the completion of a project in Quartzsite.

CONSENT AGENDA

Mr. Martin removed Item 40 from the Consent Agenda.

Director's Report

Mr. Victor Mendez, Director, reported that SR 260 in the Camp Verde, Cottonwood area has been an ongoing issue, trying to resolve the scope award for that entire corridor. After a teleconference with the major and county supervisor, it was outlined that improvements and additions will be coming back to the Board for a study session as well as outstanding issues the County would like addressed. In the program right now are a couple major projects for that same corridor for \$10 million in the year 2010, \$11 million in 2011 and \$5 million in 2008. That funding is needed for the improvements. The Office of the Auditor General has undertaken an audit of specific areas of the agency. Mr. Mendez gave a briefing of the reports that were released. The number one finding was that ADOT should optimize internal resources to reduce the use of consultants. Staff salaries are an issue. Finding number two is that ADOT should improve highway construction inspection. This is a training issue and not a safety issue. The third finding is that ADOT needs to improve its contract audit. This issue relates to internal resources needed to conduct audits in a timely manner.

Legislative Report

Mr. Kevin Biesty provided an update on Legislative Issues. The Federal Senate Appropriations Committee marked up the fiscal year '07 budget this week and funded highways at the SAFETEA-LU level of \$39.1 billion, funded transit with the exception of new starts at the SAFETEA-LU levels. The new starts will not affect the Phoenix light rail project. There is a difference in the aviation funding. The House proposal has \$3.7 billion and the Senate recommended \$3.5 billion. On the state level, we are currently implementing legislation that was passed during the last session and working on the legislative packet for the upcoming session to send to the Governor by the middle of August. Bills passed during the last session, unless there is an emergency clause, will go into effect September 21. This year is an election year. Letters have been sent to the campaigns regarding right-of-way laws.

Financial Report

Mr. John McGee provided summary reports on revenue collections for Highway User Revenues and Maricopa Transportation Excise Tax Revenues, comparing fiscal year results to last year's actuals and forecasts, and reported on interest earnings, HELP Fund status, and other financial information relative to the Board and Department. June 2006 revenues totaled \$118.568 million, an increase of 1.8 percent below June 2005 and 6.5 percent over the estimate. End-of-year collections total \$1.3 billion, an increase of 6.9 percent over the same period last year and 1.9 percent above the estimate. All categories had positive growth over last year. And all categories except gas tax and registration exceeded forecast. Gas tax did not exceed forecast because prices have been higher than normal. The negative variance in registration is a result of a correction of the FY2005 posting. The May 2006 RARF collections totaled \$31.127 million, an increase of 13 percent above May 2005 and 8.2 percent

over the estimate. Year-to-date RARF revenues through May 2006 total \$335.464 million, an increase of 16.2 percent above the same time period last year and 8 percent over the estimate. Every revenue category continues to show strong results. The Investment Report during the month of May 2006 indicates earnings of \$3.156 million on investments for an average of 4.44 percent yield. Year-to-date earnings represent an average yield of 3.77 percent. The HELP fund balance for end of the year, June 30 is \$87.8 million, an increase of \$1.6 million over last month.

Financing Program

Mr. John McGee provided an update on financing issues affecting the Board and the Department, including HURF and RARF Bonding, GAN issuances and Board Funding Obligations. Meeting arrangements are confirmed with Moodys and Standard and Poor's for a program update. A calendar of events was included in the meeting booklet.

Widening of U.S. 60 in the vicinity of Florence Junction to Queen Creek (Gonzales Pass)

Staff recommended that the project be moved in the five year plan to FY 2008- FY 2007 as one project at the \$60 million level.

Board Action: A motion to approve the above recommendation was made by Mr. Schorr, seconded by Mr. Montoya and passed unanimously.

*

MINUTES – APPROVAL

Study Session Minutes – May 4, 2006

Special Board Meeting Minutes – June 6, 2006

*

2006 BOARD MEETING, PUBLIC HEARING & STUDY SESSION DATES AND LOCATIONS

July 21, 2006, 9:00 a.m. – Board Meeting – Show Low

August 1, 2006, 1:00 p.m. – Study Session (if necessary) – Phoenix

August 18, 2006, 9:00 a.m. – Board Meeting – Holbrook

September 15, 2006, 9:00 a.m. – Board Meeting – Glendale

October 3, 2006, 1:00 p.m. – Study Session (if necessary) – Phoenix

October 20, 2006, 9:00 a.m. – Board Meeting – East Valley

November 7, 2006, 1:00 p.m. – Study Session (if necessary) – Phoenix

November 17, 2006 – Board Meeting – Willcox

December 5, 2006 – Study Session (if necessary) – Phoenix

December 15, 2006 – Board Meeting - Tucson

PRIORITY PLANNING ADVISORY COMMITTEE (PPAC)

Meeting of July 5, 2006

FY 2007 - 2011 Transportation Facilities Construction Program Requested Modifications

ROUTE NO:

I-19 at MP 0.00

COUNTY: Santa Cruz
 SCHEDULE: FY 2007
 SECTION: International Border to Junction B-19
 TYPE OF WORK: Pavement Preservation
 PROGRAM AMOUNT: \$ 7,919,000
 PROJECT MANAGER: Doug Smith
 PROJECT: H637601C Item # 18706
 REQUESTED ACTION: Increase project amount by \$3,481,000 to \$11,400,000 in the FY 2007 Highway Construction Program. **Funds are available from FY 2007 Pavement Preservation Fund #72507 \$3,481K**

PROGRAM AMOUNT: \$7,919,000
 INCREASE AMOUNT: \$3,481,000
 NEW PROGRAM AMOUNT: \$11,400,000

Board Action: A motion to approve the above recommendation was made by Mr. Householder, seconded by Mr. Montoya and passed unanimously.

ROUTE NO: SR 80 at MP 364.00
 COUNTY: Cochise
 SCHEDULE: FY 2007
 SECTION: SR 80 and US 191 Level 2/3 Inspection Building
 TYPE OF WORK: Designing Level 2/3 Inspection Building
 PROGRAM AMOUNT: \$ 50,000
 PROJECT MANAGER: David Mellgren
 PROJECT: H686001D Item # 22606
 REQUESTED ACTION: Delete project in the amount of -\$50,000 in the FY 2007 Highway Construction Program. **Deleting design project and returning \$50K to FY 2007 Contingency Fund #72307**

PROGRAM AMOUNT: \$50,000
 NEW PROGRAM AMOUNT: \$0,000

ROUTE NO: SR 80 @ MP 364.00
 COUNTY: Cochise
 SCHEDULE: FY 2007
 SECTION: SR 80 and US 191 Level 2/3 Inspection Building
 TYPE OF WORK: Construct Level 2/3 Inspection Building
 PROGRAM AMOUNT: \$ 250,000
 PROJECT MANAGER: David Mellgren
 PROJECT: H686001C Item # 15407
 REQUESTED ACTION: Delete project in the amount of -\$250,000 in the FY 2007 Highway Construction Program. **Deleting construct project and returning \$250K to FY 2007 Contingency Fund #72307**

PROGRAM AMOUNT: \$250,000

NEW PROGRAM AMOUNT: \$0,000

ROUTE NO: SR 80 @ MP 364.00
COUNTY: Cochise
SCHEDULE: FY 2007
SECTION: Douglas Strategic Weight and Inspection Station
TYPE OF WORK: Right of Way Acquisition
PROGRAM AMOUNT: \$ 50,000
PROJECT MANAGER: David Mellgren
PROJECT: H624301R Item # 22806
REQUESTED ACTION: Delete project in the amount of -\$50,000 in the FY 2007 Highway Construction Program. **Deleting Right of Way project and returning \$50K to FY 2007 Contingency Fund #72307**

PROGRAM AMOUNT: \$50,000
NEW PROGRAM AMOUNT: \$0,000

ROUTE NO: SR 80 @ MP 364.00
COUNTY: Cochise
SCHEDULE: FY 2007
SECTION: Douglas Strategic Weight and Inspection Station
TYPE OF WORK: Construction of Weight and Inspection Station
PROGRAM AMOUNT: \$ 5,225,000
PROJECT MANAGER: David Mellgren
PROJECT: H624301C Item # 28303
REQUESTED ACTION: Increase construction project in the amount amount of \$285,000 to \$5,510,000, to be included in the FY 2007 Highway Construction Program. **Funds are available from FY 2007 Contingency Fund #72307 \$350K**

PROGRAM AMOUNT: \$5,225,000
INCREASE AMOUNT: \$285,000
NEW PROGRAM AMOUNT: \$5,510,000

Board Action: A motion to approve Items 10, 11, 12 and 13 was recommended by Mr. Lane, seconded by Mr. Householder and passed unanimously.

ROUTE NO: SR 80 @ MP 364.50
COUNTY: Cochise
SCHEDULE: FY 2007
SECTION: SR 80 and US 191 Intersection
TYPE OF WORK: Signal and Roadway Improvements
PROGRAM AMOUNT: \$ 1,750,000
PROJECT MANAGER: David Mellgren
PROJECT: HX14801C Item # 20706

REQUESTED ACTION: Increase project amount by \$65,000 to \$1,815,000 in the FY 2007 Highway Construction Program.
Funds are available from FY 2007 Contingency Fund #72307 \$65K

PROGRAM AMOUNT: \$1,750,000
INCREASE AMOUNT: \$65,000
NEW PROGRAM AMOUNT: \$1,815,000

Board Action: A motion to approve the above recommendation was made by Mr. Montoya, seconded by Mr. Schorr and passed unanimously.

ROUTE NO: SR 79 @ MP 136.27
COUNTY: Pinal
SCHEDULE: FY 2008
SECTION: MP 136.27 at AAR/DOT No. 742-407-P
TYPE OF WORK: Install concrete railroad crossing surface
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: John Syers
PROJECT:
REQUESTED ACTION: Establish a construction project in the amount of \$150,000 in the 2008 Highway Construction Program. **Funds are available from FY 2008 Highway Safety Improvement Fund #72808 \$150K**

PROGRAM AMOUNT: New Project
NEW PROGRAM AMOUNT: \$150,000

Board Action: A motion to approve the above recommendation was made by Mr. Householder, seconded by Mr. Montoya and passed unanimously.

ROUTE NO: SR 287 @ MP 122.40
COUNTY: Pinal
SCHEDULE: FY 2007
SECTION: Eleven Mile Corner Rd.
TYPE OF WORK: Intersection Improvements
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Paul Sullivan
PROJECT: H608201C JPA 05-082
REQUESTED ACTION: Establish a construction project in the amount of \$2,000,000 in the FY 2007 Highway Construction Program. **See multiple funding sources below.**

PROGRAM AMOUNT: New Project
INCREASE AMOUNT:
FY 2006 Highway Safety Improvement Fund #72806 \$1,332,000
FY 2007 Highway Safety Improvement Fund #72807 \$610,000
JPA 05-082 with Pinal County \$58,000
NEW PROGRAM AMOUNT: \$2,000,000

Board Action: A motion to approve the above recommendation was made by Mr. Householder, seconded by Mr. Lane and passed unanimously.

ROUTE NO: I-10 @ MP 41.58
COUNTY: La Paz
SCHEDULE: FY 2007
SECTION: Various locations Vicksburg TI
TYPE OF WORK: Restore, rehabilitate, and resurface at various locations
PROGRAM AMOUNT: \$ 862,000
PROJECT MANAGER: Jerry Barnes
PROJECT: H703701C Item # 28106
REQUESTED ACTION: Increase project in the amount of \$338,000 to \$1,200,000 in the FY 2007 Highway Construction Program. Defer project from FY 2006 to FY 2007.
Funds are available from FY 2007 Pavement Preservation Fund #72507 \$338K

PROGRAM AMOUNT:	\$862,000
INCREASE AMOUNT:	\$338,000
NEW PROGRAM AMOUNT:	\$1,200,000

Board Action: A motion to approve the above recommendation was made by Mr. Schorr, seconded by Mr. Montoya and passed unanimously.

ROUTE NO: I-17 @ MP 199.00
COUNTY: Maricopa
SCHEDULE: FY 2007
SECTION: Various locations (23 total)
TYPE OF WORK: Pumphouse Safety Upgrades Ph. II
PROGRAM AMOUNT: \$ 520,000
PROJECT MANAGER: Orlando Jerez
PROJECT: H602003C Item # 22205
REQUESTED ACTION: Increase project in the amount of \$380,000 to \$900,000 in the FY 2007 Highway Construction Program. Defer project from FY 2006 to FY 2007.
Funds are available from FY 2007 District Minor Fund #73307 \$380K

PROGRAM AMOUNT:	\$520,000
INCREASE AMOUNT:	\$380,000
NEW PROGRAM AMOUNT:	\$900,000

Board Action: A motion to approve the above recommendation was made by Mr. Zubia, seconded by Mr. Lane and passed unanimously.

FY 2007-2011 Airport Development Program – Requested Modifications

Mr. Barclay Dick referenced a memo on page 51 of the Board Information Packet regarding the Airport Development Program Update and Federal Matching Grant Funds.

AIRPORT NAME: Town of Springerville Municipal
SPONSOR: Town of Springerville
AIRPORT CATEGORY: Public GA
SCHEDULE: FY 2006 - 2010
PROJECT #: E6F1B
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Ray Boucher
PROJECT DESCRIPTION: Prepare an Airport Master Plan Study including an Environmental Evaluation / Environmental Overview.
REQUESTED ACTION: Approve State matching funds for FAA Grant #3-04-0038-13.

FUNDING SOURCES:	FAA	\$150,000
	Sponsor	\$3,947
	State	\$3,948
	<i>Total Program</i>	\$157,895

AIRPORT NAME: H. A. Clark Memorial Field
SPONSOR: City of Williams
AIRPORT CATEGORY: General Aviation
SCHEDULE: FY 2006 – 2010
PROJECT #: E6S09
PROGRAM AMOUNT: Project Change
PROJECT MANAGER: Ed Suserud
PROJECT DESCRIPTION: Construct Parking Apron; Fire Protection Facilities & ARFF Building, Phase 3; Runway Drain & Erosion Control Improvements (Design Only); Parallel Taxiway Extension, Widen Connecting & Existing Taxiways & Overlay (Design Only)
REQUESTED ACTION: Approve change in Scope work to allow for construction of the ARFF building. No change in funding.

FUNDING SOURCES:	FAA	\$0
	Sponsor	\$45,000
	State	\$405,000
	<i>Total Program</i>	\$450,000

AIRPORT NAME: Show Low Regional
SPONSOR: City of Show Low

AIRPORT CATEGORY:	Commercial Service								
SCHEDULE:	FY 2007 – 2011								
PROJECT #:	E7S03								
PROGRAM AMOUNT:	New Project Request								
PROJECT MANAGER:	Ed Suserud								
PROJECT DESCRIPTION:	Install Guidance Signs & Pavement Markings; Improve Airport Drainage								
REQUESTED ACTION:	Approve State Grant to correct items recommended in the FAA Runway Safety Action Plan								
FUNDING SOURCES:	<table> <tr> <td>FAA</td> <td>\$0</td> </tr> <tr> <td>Sponsor</td> <td>\$36,150</td> </tr> <tr> <td>State</td> <td>\$325,350</td> </tr> <tr> <td>Total Program</td> <td>\$361,500</td> </tr> </table>	FAA	\$0	Sponsor	\$36,150	State	\$325,350	Total Program	\$361,500
FAA	\$0								
Sponsor	\$36,150								
State	\$325,350								
Total Program	\$361,500								

AIRPORT NAME:	Flagstaff Pulliam								
SPONSOR:	City of Flagstaff								
AIRPORT CATEGORY:	Commercial Service								
SCHEDULE:	FY 2007 - 2011								
PROJECT #:	E7S01								
PROGRAM AMOUNT:	New Project Request								
PROJECT MANAGER:	Ed Suserud								
PROJECT DESCRIPTION:	Design Only: Runway 03/21 Extension & Safety Area.								
REQUESTED ACTION:	Approve State Grant for the design of the runway extension.								
FUNDING SOURCES:	<table> <tr> <td>FAA</td> <td>\$0</td> </tr> <tr> <td>Sponsor</td> <td>\$157,816</td> </tr> <tr> <td>State</td> <td>\$1,420,350</td> </tr> <tr> <td>Total Program</td> <td>\$1,578,166</td> </tr> </table>	FAA	\$0	Sponsor	\$157,816	State	\$1,420,350	Total Program	\$1,578,166
FAA	\$0								
Sponsor	\$157,816								
State	\$1,420,350								
Total Program	\$1,578,166								

AIRPORT NAME:	Sedona		
SPONSOR:	Yavapai County		
AIRPORT CATEGORY:	Public GA		
SCHEDULE:	FY 2007 - 2011		
PROJECT #:	E7S02		
PROGRAM AMOUNT:	New Project Request		
PROJECT MANAGER:	Ed Suserud		
PROJECT DESCRIPTION:	Design Only: Taxiway A Rehabilitation		
REQUESTED ACTION:	Approve State Grant for the design of Taxiway A.		
FUNDING SOURCES:	<table> <tr> <td>FAA</td> <td>\$0</td> </tr> </table>	FAA	\$0
FAA	\$0		

Sponsor	\$8,888
State	\$80,000
Total Program	\$88,888

Board Action: A motion to approve Items 19, 20, 21, 22 and 23 was recommended by Mr. Montoya, seconded by Mr. Lane and passed unanimously.

- *
 - Minutes of July 5, 2006
 - Summary of Changes to the FY 06 – 10 Highway Construction Program
 - Highway Program Monitoring Report

- *

Next regular scheduled meetings of the Priority Planning Advisory Committee (PPAC). Times and dates of meetings could vary and will be announced at time of agenda distribution.

- August 2, 2006 10:00 AM
- August 30, 2006 1:00 PM
- October 4, 2006 10:00 AM
- November 1, 2006 10:00 AM
- November 29, 2006 10:00 AM
- January 3, 2007 10:00 AM

<http://ADOTPPAC.ORG/>

RIGHT OF WAY RESOLUTIONS

- *

RES. NO:	2006-07-A-033
PROJECT:	I-8-1(48)1 / 008YU000H088801R
HIGHWAY:	YUMA – CASA GRANDE
SECTION:	Avenue 3E T.I.
ROUTE NO.:	Interstate Route 8
ENG. DIST:	Yuma
COUNTY:	Yuma
RECOMMENDATION:	Disposal by Easement Extinguishment and Vacation.

- *

RES. NO:	2006-07-A-035
PROJECT:	STP-038-1(28) / 188GI265H275901R
HIGHWAY:	CLAYPOOL-JAKES CORNER SR 188
SECTION:	Slate Creek Section
ROUTE NO.:	State Route 188
ENG. DIST:	Globe
COUNTY:	Gila
RECOMMENDATION:	Disposal by Relinquishment to Tonto National Forest

*	RES. NO: 2006-07-A-036 PROJECT: STP-038-1(28) / 188GI265H275901R HIGHWAY: CLAYPOOL-JAKES CORNER SR 188 SECTION: Slate Creek Section ROUTE NO.: State Route 188 ENG. DIST: Globe COUNTY: Gila RECOMMENDATION: Disposal by easement extinguishment to the underlying fee owner
*	RES. NO: 2006-07-A-037 PROJECT: STP-038-1(28) / 188GI265H275901R HIGHWAY: CLAYPOOL – JAKES CORNER SR 188 SECTION: Slate Creek Section ROUTE NO.: State Route 188 ENG. DIST: Globe COUNTY: Gila RECOMMENDATION: Disposal by Abandonment to Gila County for a continued public transportation use
*	RES. NO: 2006-07-A-038 PROJECT: F-038-1-817 / 188GI261H215702R HIGHWAY: CLAYPOOL – JAKES CORNER SR 188 SECTION: Punkin Center – MP 265 ROUTE NO.: State Route 188 ENG. DIST: Globe COUNTY: Gila RECOMMENDATION: Disposal by Relinquishment to Tonto National Forest
*	RES. NO: 2006-07-A-039 PROJECT: F-038-1-821 / 188GI270H447601R HIGHWAY: CLAYPOOL – JAKES CORNER SR 188 SECTION: MP 270 – Jakes Corner ROUTE NO.: State Route 188 ENG. DIST: Globe COUNTY: Gila RECOMMENDATION: Disposal by Relinquishment to Tonto National Forest
*	RES. NO: 2006-07-A-040 PROJECT: I-040-A-801 / 040MO002H506401R HIGHWAY: TOPOCK - KINGMAN SECTION: Needle Mountain Rest Area ROUTE NO.: Interstate Route 40 ENG. DIST: Kingman

COUNTY:	Mohave
PARCEL:	8-1816
RECOMMENDATION:	Establish new right of way as a state route and state highway to construct a new rest area and welcome center

STATE ENGINEER'S REPORT

Mr. Sam Maroufkhani reported that for June 2006, there are 87 projects under construction valued at \$903 million. During June, the Department finalized 13 projects valued at \$65.4 million and fiscal year-to-date, 129 projects were finalized.

CONSTRUCTION CONTRACTS

Interstate Non-Federal Aid

BIDS OPENED:	June 16
HIGHWAY:	BENSON-STEINS PASS HIGHWAY (I-10)
SECTION:	San Simon Port of Entry
COUNTY:	Cochise
ROUTE NO.:	I-10
PROJECT:	010-F-NFA 010 CH 383 H678601C
FUNDING:	100% State
LOW BIDDER:	Granite Construction Company
AMOUNT:	\$ 119,269.00
STATE AMOUNT:	\$ 106,134.00
\$ OVER:	\$ 13,135.00
% OVER:	12.4%
NO. BIDDERS:	4
RECOMMENDATION:	AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Montoya, seconded by Mr. Lane and passed unanimously. Mr. Schorr recused himself from this Item.

Interstate Federal-Aid ("A" "B") projects do not need FHWA concurrence, but must comply with DBE regulations; other projects are subject to FHWA and/or local government concurrence and compliance with DBE regulations)

BIDS OPENED:	June 16
HIGHWAY:	PHOENIX-CASA GRANDE HIGHWAY (I-10)
SECTION:	Ray Road TI
COUNTY:	Maricopa
ROUTE NO.:	I-10

PROJECT:

**BR-STP-CMAQ-010-C(009)A 010 MA 160
H662701C**

FUNDING: 90% Federal 8% State 2% City of Phoenix
LOW BIDDER: Austin Bridge & Road, LP
AMOUNT: \$ 6,940,000.00
STATE AMOUNT: \$ 5,401,723.00
\$ OVER: \$ 1,538,277.00
% OVER: 28.5%
NO. BIDDERS: 4
RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Lane, seconded by Mr. Zubia and passed unanimously.

Federal-Aid ("A" "B") projects do not need FHWA concurrence, but must comply with DBE regulations; other projects are subject to FHWA and/or local government concurrence and compliance with DBE regulations)

BIDS OPENED: June 16
HIGHWAY: QUARTZSITE-WICKENBURG HIGHWAY (US 60)
SECTION: Hope-Wenden
COUNTY: La Paz
ROUTE NO.: US 60
PROJECT: STP-060-A(005)A 060 LA 049 H584801C
FUNDING: 94% Federal 6% State
LOW BIDDER: FNF Construction, Inc.
AMOUNT: \$ 3,383,566.00
STATE AMOUNT: \$ 3,058,903.00
\$ OVER: \$ 324,663.00
% OVER: 10.6%
NO. BIDDERS: 3
RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Montoya, seconded by Mr. Householder and passed unanimously. Mr. Schorr recused himself from this Item.

BIDS OPENED: June 30
HIGHWAY: QUARTZSITE-PARKER-TOPOCK HIGHWAY
(SR 95)
SECTION: Swanson Avenue – Mesquite Avenue
COUNTY: Mohave
ROUTE NO.: SR 95
PROJECT: TEA-095-C(007)A 095 MO 182 H640901C

FUNDING:	70% Federal 4% State 26% City of Lake Havasu
LOW BIDDER:	K.A.Z. Construction, Inc.
AMOUNT:	\$ 825,000.00
STATE AMOUNT:	\$ 486,957.00
\$ OVER:	\$ 338,043.00
% OVER:	69.4%
NO. BIDDERS:	1
RECOMMENDATION:	

Board Action: A motion to table this Item for one month for further study was made by Mr. Lane, seconded by Mr. Schorr and passed unanimously.

BIDS OPENED:	June 30
HIGHWAY:	RIM ROCK – SEDONA HIGHWAY (SR 179)
SECTION:	Village of Oak Creek to North Forest Boundary
COUNTY:	Yavapai
ROUTE NO.:	SR 179
PROJECT:	STP-TEA-179-A(001)B 179 YV 304 H341401C
FUNDING:	94% Federal 6% State
LOW BIDDER:	Fisher Sand & Gravel Co. dba Southwest Asphalt Paving
AMOUNT:	\$ 30,352,243.25
STATE AMOUNT:	\$ 25,875,863.75
\$ OVER:	\$ 4,476,379.50
% OVER:	17.3%
NO. BIDDERS:	3
RECOMMENDATION:	AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Montoya, seconded by Mr. Householder and passed unanimously.

Non-Interstate Non-Federal Aid

*	BIDS OPENED:	June 30
	HIGHWAY:	QUARTZSITE-PARKER-TOPOCK HIGHWAY (SR 95)
	SECTION:	SR 95 at Milepost 112
	COUNTY:	La Paz
	ROUTE NO.:	SR 95
	PROJECT:	095-C-NFA 095 LA 111 H660601C
	FUNDING:	100% State
	LOW BIDDER:	EME West Construction, Inc.
	AMOUNT:	\$ 442,394.00
	STATE AMOUNT:	\$ 455,330.00
	\$ UNDER:	\$ 12,936.00

% UNDER: 2.8%
NO. BIDDERS: 3
RECOMMENDATION: AWARD

BIDS OPENED: June 30
HIGHWAY: AGUA FRIA FREEWAY (SR 101L)
SECTION: Bethany Home Road T.I. North Half
COUNTY: Maricopa
ROUTE NO.: 101L
PROJECT: S-101-A-516 101 MA 006 H679501C
FUNDING: 100%
LOW BIDDER: Coffman Specialties, Inc.
AMOUNT: \$ 7,145,261.40
STATE AMOUNT: \$ 8,156,797.00
\$ UNDER: \$ 1,011,535.60
% UNDER: 12.4%
NO. BIDDERS: 5
RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Zubia, seconded by Mr. Lane and passed unanimously. Mr. Schorr recused himself from this Item.

BIDS OPENED: June 30
HIGHWAY: SHOW LOW-MCNARY-EAGER HIGHWAY
(SR 260)
SECTION: SR 260 at Junction Woolford Road
COUNTY: Navajo
ROUTE NO.: SR 260
PROJECT: S-260-C-502 260 NA 343 HX12101C
FUNDING: 50% State 50% City of Show Low
LOW BIDDER: Show Low Construction, Inc.
AMOUNT: \$ 256,330.50
STATE AMOUNT: \$ 210,430.00
\$ OVER: \$ 45,900.50
% OVER: 21.8%
NO. BIDDERS: 4
RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Montoya, seconded by Mr. Householder and passed unanimously. Mr. Schorr recused himself from this Item.

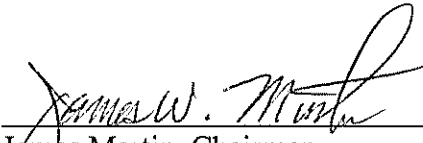
CONSENT AGENDA

Board Action: A motion to approve the Consent Agenda was made by Mr. Lane, seconded by Mr. Montoya and passed unanimously.

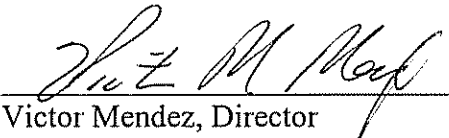
ADJOURN

Board Action: A motion to adjourn was made by Mr. Householder, seconded by Mr. Schorr and passed unanimously.

The meeting adjourned at 10:06 a.m.



James Martin, Chairman
State Transportation Board



Victor Mendez, Director
Arizona Department of Transportation